

[8th August, 2000]

RAJYA SABHA

Telecom Operations by 1st October 2000. The name of the corporate entity will be Bharat Sanchar Nigam Ltd. The expected benefits from such a change are strengthening of the telecom infrastructure as a whole, and an improvement in the quality of service, which would be possible *inter alia* by the greater flexibility available to a corporate entity in decision making, resource mobilization, the building up of a customer orientation of the workforce etc.

#### **Telephone in villages**

† 1758. SHRI RAJIV RANJAN SINGH: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether it is a fact that decision has been taken to install telephone connections in the rural areas of the country within a specified time schedule;

(b) if so, the percentage of villages provided with telephone facilities by the end of March, 2000;

(c) whether government have made any estimate regarding the use of telephone in villages already installed telephone connections; and

(d) if so, the average number of families out of 1000 families who have become the consumers?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR): (a) and (b) Yes, Sir. The Government have planned to provide telephone on demand in the rural areas of the country by March, 2002. The percentage of villages provided with telephone facilities by the end of March, 2000 is 61.66.

(c) and (d) Yes, Sir. The average number of persons out of 1000 persons who have become the consumer in 6.8 in the rural areas.

#### **Additional burden on exchequer due to free telephone facility**

† 1759. SHRI RAMA SHANKER KAUSHIK:

PROF. RAM GOPAL YADAV:

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether on the one hand Government are withdrawing subsidy on foodgrains, LPG cylinder and kerosene oil and on the other hand it is providing telephones to the employees of telephone department without any registration

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† Original notice of the question was received in Hindi.

charges, rent and installation charges, the reasons therefor; and

(b) the additional burden on Government exchequer due to this biased attitude and decision and in what manner Government will compensate the loss of Revenue to the Department of Telecommunications?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR): (a) and (b) Sir, it has been decided to provide certain concessional facilities such as waiver of registration charges, installation charges and bi-monthly rental (at the present level), to the employees of the Department of Telecom Services and Telecommunications who wish to take private connections. This operational decision has been taken in the wake of increased competitive environment which has emerged in the telecom sector. The decision is meant to motivate its employees and increase their availability. No formal orders have, however, been issued so far in view of stay granted by Hon'ble<sup>7</sup> High Court of Kerala.

#### **Administration of Service Tax**

1760. SHRI RAMACHANDRA KHUNTIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Service Tax implementation and collection is being entrusted to a separate Directorate, which would be manned by officers of IAS, IPS, Income tax etc. reporting directly to the Secretary Revenue;

(b) whether it is also a fact that the Parliament had been assured that Service Tax, being an indirect tax, would be under the administrative control of Central Board of Excise and Customs; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) No Sir, there is no such proposal under consideration of the Government at present.

(b) and (c) In the finance Minister's Speech for 1994-95 Budget it was stated that service tax was being proposed as measure for broadening the base of indirect taxes. As such, the levy of service tax is administered by the Central Board of Excise and Customs.